



City of Sunnyvale – Minimum Wage Increase

Introduction

On April 19, 2016, Sunnyvale City Council adopted an ordinance to increase the City's minimum wage rate to reach \$15.00 per hour by 2018. The following is the increase schedule:

- **\$11.00 on July 1, 2016**
- **\$13.00 on January 1, 2017**
- **\$15.00 on January 1, 2018**

Beginning January 1, 2019, and every January 1 thereafter, the City's minimum wage will increase by an amount corresponding to the prior year's Consumer Price Index based on the San Francisco-Oakland-San Jose regional index as reported by the U.S. Department of Labor's Bureau of Labor Statistics.

Frequently Asked Questions (FAQ's)

Q: What is in the City of Sunnyvale Minimum Wage Ordinance?

A: *The City Council approved the ordinance to create a City minimum wage. The ordinance requires employers that maintain a place of business in Sunnyvale or perform any work/service within Sunnyvale city limits to pay the City's Minimum Wage. The City's minimum wage is \$10.30 per hour, and will increase to \$11.00 per hour on July 1, 2016.*

Q: What is the City's current minimum wage?

A: *The City's minimum wage is \$10.30 per hour.*

Q: What are the Minimum Wage Ordinance administrative requirements for covered employers?

A: *In addition to payment of the minimum wage, employers are required to:*

- 1. Post a notice at the workplace of the current and prospective minimum wage rates and the employees' rights under the Ordinance; and,*
- 2. Maintain payroll records for a period of four (4) years.*

Q: What is the difference between the Federal, State and Sunnyvale minimum wage laws?

A: Sunnyvale employers are subject to Federal, State and Sunnyvale minimum wage laws. When there are conflicting requirements in the laws, the employer must follow the strictest standard – that is, the one that is most favorable to the employee. Since Sunnyvale’s ordinance requires a higher minimum wage rate than the State and Federal law, covered employers are required to pay the City minimum wage. The Federal minimum wage is \$7.25 per hour; California minimum wage is \$10.00 per hour; and Sunnyvale’s minimum wage is \$10.30 per hour.

Q: Does the ordinance exempt small businesses?

A: No. The ordinance does not have any exemptions for small businesses. If an employee works more than two hours per week in Sunnyvale, they must be paid the Sunnyvale minimum wage rate.

Q: Does the ordinance on the City minimum wage cover employees who work in Sunnyvale, but are not Sunnyvale residents?

A: Yes. Any person, who performs work for an employer that maintains a facility in the City of Sunnyvale or provides goods and/or services within City limits, is entitled to be paid the City minimum wage.

Q: Does the Sunnyvale minimum wage apply to full-time and part-time employees?

A: Yes, the approved ordinance applies to any person working within the Sunnyvale city limits who performs at least two (2) hours of work in any particular week.

Q: May employers use tips or fringe benefits (health insurance, vacation, sick leave) to pay the Sunnyvale minimum wage?

A: No. An employer may not use an employee’s tips or fringe benefits as a credit towards the employer’s obligation to pay the City minimum wage.

Q: Does the minimum wage apply to employees under the age of 18?

A: Yes. All employees who perform at least two (2) hours of work per week in Sunnyvale must be paid at least \$10.30 per hour regardless of the age.

Q: Does the Sunnyvale Minimum Wage Ordinance protect undocumented workers?

A: Yes. All workers in Sunnyvale, whether or not they are legally authorized to work in the United States, are protected. The Office of Equality Assurance will process and investigate a wage claim without regard to a worker’s immigration status. Workers filing a claim with the City of San Jose’s Office of Equality Assurance will not be questioned about their immigration status.

Q: My business is a family run business. Do I need to pay my parent, spouse or child the Sunnyvale minimum wage?

A: No. Consistent with California Labor Code Section 3352(a), individuals who are the parents, spouses or children of the employers are not covered by the Sunnyvale minimum wage. Domestic partners are also excluded under the Sunnyvale Minimum Wage Ordinance. However, an employer must pay the required Sunnyvale minimum wage rate to any other person who performs more than two (2) hours of work in a week and qualifies as an employee entitled to payment of the minimum wage from any employer under the California Minimum Wage law as provided under Section 1197 of the California Labor Code and Wage orders published by the California Industrial Welfare Commission.

Q: Are residential care facilities located in Sunnyvale required to pay the Sunnyvale minimum wage?

A: Yes. All residential care facilities, regardless of number or type of occupant, are required to pay local minimum wage to employees.

Q: Does the ordinance apply to rideshare and taxi companies that work in or pass through Sunnyvale?

A: Taxi companies are required to have a franchise agreement with the City if they do business within the City limits. They are required to pay Sunnyvale's minimum wage rate. Other rideshare companies are regulated by the CPUC and are not required to pay the Sunnyvale rate.

Q: A company moves its headquarters to a neighboring city but still performs work in Sunnyvale. Would the City of Sunnyvale Minimum Wage Ordinance apply?

A: Yes. The Ordinance requires employers who maintain a facility in Sunnyvale or employers that are subject to the Sunnyvale Business Tax to comply with the Sunnyvale Minimum Wage Ordinance.

Q: Where can I get additional information regarding the new minimum wage?

A: You can visit the website at MinimumWage.inSunnyvale.com, email minimumwage@sunnyvale.ca.gov or call (408) 730-7902.